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Doing business guide
Understanding Iraq's
tax position

In the Middle East
since 1926

Contents

Market overview

- Economic policy-making in the country is expected to remain a low priority due to the Islamic State (IS) incursion. Defeating ISIS and then stabilizing the liberated areas will be the key priority for the Al Abadi government.
- Iraq's policy-making will also be guided by the three-year US$5.34 billion stand-by agreement (SBA) loan approved by the International Monetary Fund (IMF) in 2016. The core focus will be on reducing fiscal expenditure, curbing corruption, strengthening the financial sector and improving fiscal management.
- Iraq's GDP growth rate is expected to decline from 5.7% in 2016 to 3.4% in 2017 because of the prevailing insecurity, oil output cuts and infrastructure challenges in the country. However, development of the southern oil fields and diversification away from oil will remain the key growth drivers in the next five years.
- The Iraqi government has estimated a budget deficit of 9.1% of the GDP in 2017, mainly due to low oil prices and the cost involved in war against ISIS. But with higher oil prices and the government's reduced capital spending, the deficit is expected to narrow down further in 2018.

Government

Government	
Government type	Federal Parliamentary Republic
Chief of State	Fuad Masum, President
Head of Government	Haider Al Abadi, Prime Minister
Legal system	Mixed legal system of civil and Islamic law
Administrative divisions	18 governorates (muhafazat, singular—muhafazah (Arabic); parezgakan, singular—parezga (Kurdish)) and one region*; Al Anbar; Al Basrah; Al Muthanna; Al Qadisiyah (Ad Diwaniyah); An Najaf; Arbil (Erbil) (Arabic), Hewler (Kurdish); As Sulaymaniyah (Arabic), Slemani (Kurdish); Babil; Baghdad; Dahuk (Arabic), Dihok (Kurdish); Dhi Qar; Diyala; Karbala'; Kirkuk; Kurdistan Regional Government*; Maysan; Ninawa; Salah ad Din; Wasit

Source: Central Intelligence Agency Factbook, The Economist Intelligence Unit

Economy – overview

- Iraq's economy is largely dependent on the oil and gas sector. Oil accounted for over 85% of the government's total revenue in 2015.
- The economic policies in the country will largely depend on the upcoming elections in 2018 and cooperation between the government and Kurdish leaders.
- Owing to the agreement on oil output cuts by OPEC members, Iraq's GDP growth is expected to decline to 3.4% in 2017. However, planned development of the southern oil fields and boosting the non-oil economy are expected to raise the GDP growth rate to 4.2% in 2018.
- The recovery of global oil prices, increased oil exports and reduced government expenditure are expected to support a positive fiscal outlook in 2017.

Industries of opportunity

According to the U.S. Energy Information Administration (EIA), Iraq has the fifth largest proven crude oil reserves in the world. Iraq has undertaken an ambitious program to develop/expand its oil fields with support from international oil companies (IOCs). In 2016, four new refineries were announced for investments from IOCs. The Iraqi government is also working towards coming to an agreement on disputes over sovereignty and oil exports with the Kurdistan Regional Government (KRG).

Note: As a semi-autonomous region in Northern Iraq, the Kurdistan Region has introduced certain laws and practices which differ from the position in Federal Iraq. Throughout this guide, we have provided our comments with respect to Federal Iraq, unless otherwise noted. Where the position in Kurdistan Region differs materially from that in Federal Iraq, we have noted this.

Oil

- Despite having large proven oil reserves, Iraq is lagging behind in its production targets. This is mainly due to a lack of infrastructure (both refining and export capacity) and political disputes.
- Southern fields accounted for 85% of the country's crude oil production in 2015, with another 10% coming from the northern oil fields and the remainder from other parts of the country.
- The Ministry of Oil, Baghdad, oversees the oil and gas production and development through its operating entities: the North Oil Company (NOC) and the Midland Oil Company (MDOC) in the north and central regions, and the South Oil Company (SOC) and the Missan Oil Company (MOC) in the southern regions. In the Kurdistan Region, KRG along with the Ministry of Natural Resources oversees the development and production activities.
- At the end of 2016, Iraq agreed to cut its oil output by 210,000b/d along with other OPEC members to boost oil prices. Thus, oil production growth for Iraq is expected to remain slow in 2017.
- Further, limited investment in the expansion of oil refineries, as well as pipeline and export terminal constraints have led to the slow growth of the oil and gas sector.
- However, after several negotiations with MNCs operating in Iraq, the government has set an optimistic production goal of 7.1 million b/d by the end of the current decade.

According to the US Energy Information Administration, Iraq has the fifth largest proven crude oil reserves in the world. Iraq has undertaken an ambitious program to develop and expand its oilfields with support from IOCs.

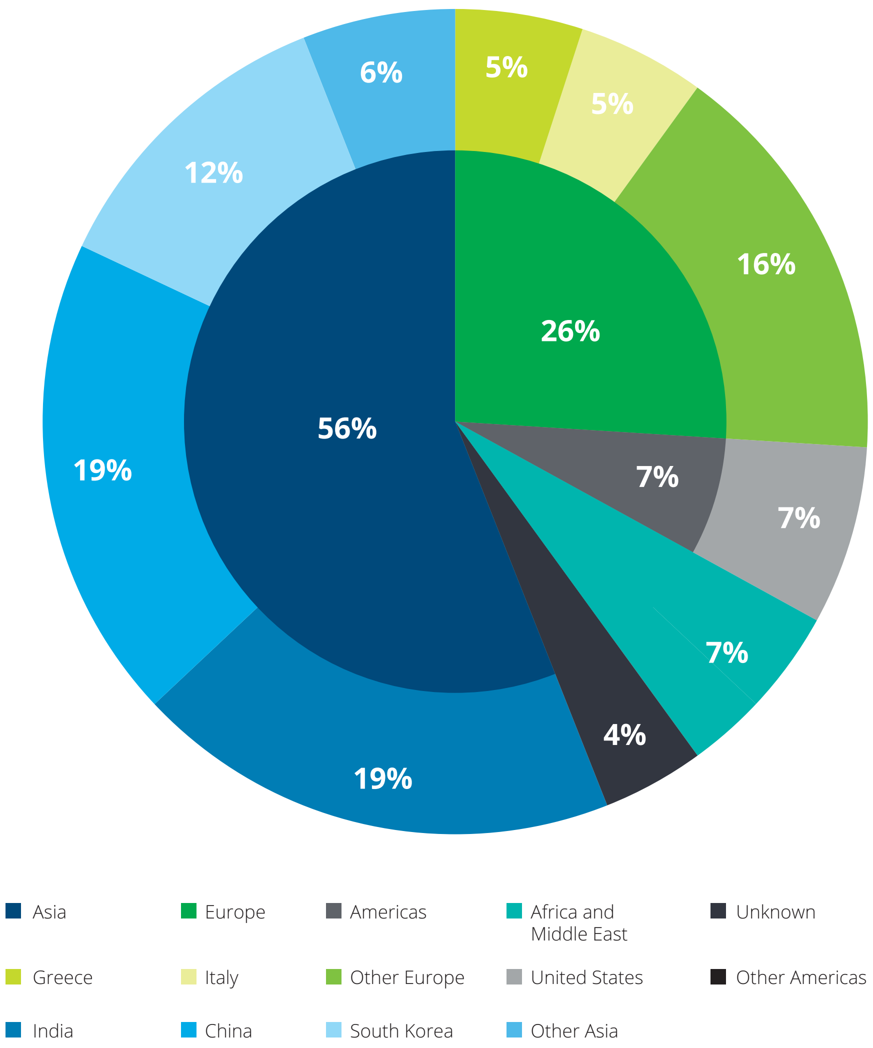
Planned new refineries in Iraq

Refinery project	Nameplate capacity (b/d)	Investment (US$ billion)	Current state
Nassiriya*	300,000	10	Announced
Missan	150,000	6	Under construction
Karbala	140,000	6	Under construction
Kirkuk	150,000	N/A	Announced
Kut	100,000	N/A	Announced
Basra	100,000	N/A	Announced
Samawa	70,000	N/A	Announced

*Nassiriya refinery project was postponed in 2014 due to the IS violence. The initial cost was estimated to be US$10 billion.

Source: Ministry of Oil, Middle East Economic Survey, FACTS Global Energy

Iraq's crude oil exports, 2015*



*Latest available data
Source: U.S. Energy Information Administration

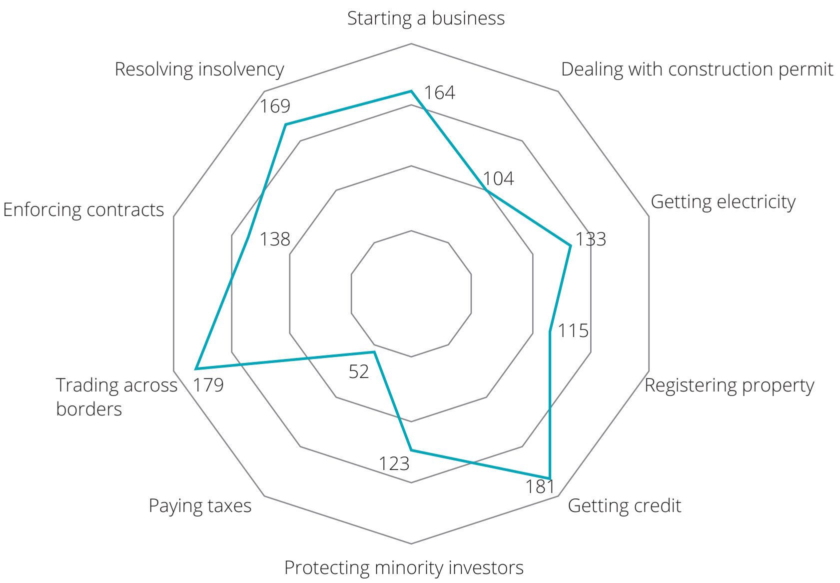
- Iraq exported 4.05 million b/d of crude oil in November 2016, with the majority of supply coming from the southern oil fields.
- The majority of Iraq's oil exports are to Asia, followed by Europe and the Americas (see graph on the right).

Natural gas

- At the end of 2015, Iraq had total proven natural gas reserves of around 130.5 trillion cubic feet (Tcf), ranking as the twelfth largest in the world (BP Statistical Review of World Energy).
- Around 70% of the country's natural gas reserves are associated gas, located in southern Iraq. Iraq produced 6.1 million tons of oil equivalent (toe) of natural gas in 2015. The production is expected to reach 13.1 million toe by 2021.
- The gas produced is primarily used for power generation, but out of the total production, around 50% goes to waste due to flaring.
- Basra Gas Company (BGC), a joint venture between South Gas Company (51%), Shell (44%) and Mitsubishi (5%), was founded in 2013 to collect and treat the flared gases. The 25-year agreement is estimated to cost around US$17 billion, and includes upgrading existing facilities and establishing new ones to expand gas-processing capacity.

Doing business in Iraq

Iraq's ranking on doing business parameters in 2017



Source: Doing business report Iraq, 2017, World Bank group
Note: A total of 190 economies were considered in the study for rankings

1. Indicators for starting a business in Iraq

Indicators	Iraq	MENA	OECD
Procedures (number)	**9.0**	7.8	4.8
Time (days)	**34.0**	20.1	8.3
Cost (% of income per capita)	**51.9**	26.3	3.1
Paid-in min. capital (% of income per capita)	**18.6**	11.2	9.2

Source: Doing Business Report Iraq, 2017, World Bank Group

2. Procedures for starting a business in Iraq

Number	Procedure	Time to complete	Associated cost
01	Reserve a unique company name at the Baghdad Chamber of Commerce and the Federation of Chambers of Commerce	2 days	IQD 500,000
02	Hire a lawyer to draft articles of association	1 day	About IQD 1,500,000
03	Deposit the initial capital at a commercial bank and obtain proof thereof	2 days	IQD 5,000–IQD 25,000
04	Apply for registration at the Companies Registry	21 days	IQD 250,000–350,000
05	Obtain the registration certificate	1 day	Included in procedure 4
06	Make a company seal	2 days	IQD 20,000
07	Register for taxes at the General Commission of Taxation	2 days	IQD 450,000
08	Register employees for social security	2 days	IQD 20,000

Source: Doing Business Report Iraq 2017, World Bank Group

As a general rule, any foreign company which is "carrying on business" in Iraq is required to establish an Iraqi legal presence - e.g. a company or a branch office.

3. Entering the market

Types of legal entity

As a general rule, any non-Iraqi company which is "carrying on business" in Iraq is required to establish an Iraqi legal presence (e.g. company, branch office). While there is no specific definition of what constitutes "carrying on business" in Iraq, typically an obligation would arise when the company obtains premises (including rented premises) in Iraq, or retains personnel on a more than temporary basis. Penalties may apply in respect of failure to register the enterprise.

There are a number of forms of business entity in Iraq, however the most common forms of entity for foreign investors are the limited liability company (LLC), and branch of a foreign company. There are currently no restrictions on foreign ownership of an Iraqi LLC. Therefore, a foreign investor can hold 100% of the share capital of an Iraqi LLC under Iraqi company law.

It is difficult to predict the time taken to register a legal entity in Iraq, but a timeframe of six to 12 months would be typical. It is generally faster and more straightforward to register a branch of a foreign company than an LLC in Iraq, however in practice the timelines can vary.

Permanent establishment

Iraq's income tax law does not recognize the concept of permanent establishment. However, Iraq broadly takes a territorial approach to taxation. In addition, contracts with non-Iraq residents are also specifically covered by Instructions No. 2 of 2008, which broadly set out tests to define whether the non-resident is "trading with" or "trading in" Iraq. In summary, "trading with" Iraq should not result in an Iraq tax liability, whereas "trading in" Iraq will.

"Trading with" vs. "Trading in" Iraq

Broadly, a non-resident would be considered to be "trading in" Iraq when contracts are concluded in Iraq, payments for the services are made into an Iraqi bank account, or services are physically provided in Iraq. Critically this may also include cases in which services are provided through a business agent or subcontractor in Iraq.

A contractor "trading in" Iraq will need to register a legal entity in Iraq, and also register for tax purposes and submit annual corporate income tax filings. Information on the contract should strictly be sent to the tax office, in order for the tax office to determine whether the contractor is liable for tax, i.e. whether the contract is considered to be "trading in" Iraq, and therefore whether retentions should be made on payments under the contract.

As the Instructions are currently drafted, there is no de minimis time limit for provision of services in Iraq – therefore strictly as little as one day spent working in Iraq should be considered to be "trading in" Iraq, and therefore could give rise to an exposure to tax in Iraq.

There is currently no de minimis time limit for provision of services in Iraq - therefore strictly as little as one day spent working in Iraq may give rise to an exposure to tax in Iraq.

4. Taxation in Iraq

Tax administration

The main source of tax law in Iraq is the Federal Income Tax law, Law #113 of 22 November, 1982, as amended in 2003 (referred to as the Federal Income Tax Law).

The tax authority in Federal Iraq is the General Commission for Taxes (GCT). The tax authority in the Kurdistan Region is the Income Tax Directorate (ITD).

Taxable income

Taxable income is broadly total income less allowed deductions. Taxable income generally includes all income from whatever source. The Federal Income Tax Law provides that expenses incurred in generating taxable income during a period should be deductible in calculating taxable income.

Article 2 of the Federal Income Tax Law broadly defines types of income which are subject to tax in Iraq. According to Article 2, the following types of income are included as taxable:

- Profits from commercial activity or from activity having a commercial nature, vocations and professions, including contracts, undertakings and compensation for non-fulfillment thereof if not for making good a loss sustained by the taxpayer;

- Interest, commissions, discounts and profit arising from trading in bonds and securities;
- Rental of agricultural land;
- Salaries, pensions, bonuses, wages of specified work in a limited period of time, allowances of workers including payments in cash or allowances for the taxpayer against his services, such as housing, food and accommodation; and
- Any other source not exempted by law and not liable to any tax in Iraq.

Entities registered in Federal Iraq are required to prepare annual financial statements, which should be prepared in Arabic and in accordance with Iraqi Uniform Accounting Standards (UAS).

Article 5 provides that "tax shall be imposed on the income of the resident Iraqi person which arises inside or outside Iraq, regardless of the place of receipt." "Person" in this context refers to both natural persons and legal persons (i.e. companies, branches of foreign companies, etc).

Tax is also imposed on the income of a non-resident which arises in Iraq, even if it is not received in Iraq.

Basis of taxation

Entities registered in Federal Iraq are required to prepare annual financial statements, which should be prepared in Arabic and in accordance with Iraqi Uniform Accounting Standards (UAS). According to the tax law, if supporting books and records are maintained, corporate income tax should be calculated based on the accounting profits as per the taxpayer's UAS financial statements.

Article 8 of the Federal Income Tax Law sets out certain expenses which are specifically allowed as deductions in calculating taxable income. As a general principle, it is stated that all expenses incurred by the taxpayer in order to produce income during the year shall be deducted in calculating taxable profits. Any deductions which are claimed should be supportable by appropriate documentation and it is common for the authority to request any supporting documentation that they consider is necessary to gain comfort with respect to the financial statements and tax calculation.

In practice, the GCT frequently reverts to a deemed profit basis of assessment, by applying a percentage to the entity's turnover to arrive at a deemed profit which is then subjected to corporate income tax at the applicable rate.

The GCT has produced internal guidance which sets out deemed profit rates for certain industries, which is typically updated on an annual basis. We would note that the internal guidance issued by the GCT is not legislation, and accordingly should not be legally binding on the tax authority or taxpayer.

The percentage to be applied to the entity's revenues can vary, depending on the specific industry and activities performed, but a percentage of around 20 - 25% would be typical. This deemed profit approach is typically more likely to be adopted by the GCT where the entity is loss-making, or where the audited UAS financial statements indicate low profit margins.

Withholding tax

Iraq has a complex legislative framework with respect to withholding tax and tax retentions. In practice, there are few final withholding taxes. However, specific focus should be given to contracts which fall within the scope of Instructions No. 2 of 2008, concerning contracts with foreign parties, and Instructions No. 5 of 2011, for upstream oil and gas contracts.

Dividends – In practice, there is no withholding tax on dividends.

Interest – A tax of 15% applies to payments of interest from an Iraqi LLC or branch to a non-Iraq resident (e.g. the foreign parent company or non-resident bank).

Rents and royalties – There is no specific legislation that addresses withholding tax on payments for royalties. However, there are provisions in the tax law which the tax authority could use to argue that such payments should be taxable in Iraq, i.e. if the income is considered to be "income arising in Iraq."

To the extent that payments for management fees, technical services, rent etc. are made by the Iraqi entity to a foreign entity, there is a risk that the tax authority could argue that such payments are subject to tax in Iraq, on the basis that they relate to "income arising in Iraq."

In practice, the tax authority generally defers to the legislation regarding tax retentions and we note our comments below in this respect.

Tax retentions

Instructions No. 2 of 2008 – Contracts between Iraqi and foreign contracting parties

The main provisions regarding tax retentions are set out in Instructions No. 2 of 2008 and subsequent amendments, which require that information relating to contracts with foreign suppliers should be disclosed to the General Commission for Taxes (GCT) in order for the tax office to determine whether the contractor is liable for tax and to confirm the rate of retention.

Retentions of tax on payments for certain contracts must be made by the payer, at various rates up to a maximum of 10% of the gross payments, depending on the nature of the contract/services performed, plus the whole of the final installment payment.

Tax retentions under Instructions No. 2 of 2008 are not intended to be a "final" withholding tax. Amounts retained on installment payments should be transferred to the tax authority within a period of thirty days from completion of work. In addition, contracting entities may not pay the final amount to contractors and contracting parties, unless with the written approval of the GCT. Alternatively, where no tax clearance certificate is provided, the party making the payment should be required to withhold 10% of the final instalment payment and remit it to the GCT, before releasing the final payment to the supplier. Tax clearance can strictly only be awarded once the supplier has completed their tax filing obligations and settled any due taxes in Iraq.

Tax retentions are not consistently applied in the Kurdistan Region, other than on payments made by the public sector, which often include a 5% tax retention.

Instructions No. 5 of 2011 - Oil and gas contracts

Instructions No. 5 of 2011 and subsequent amendments provide that subcontractors to whom the Oil and Gas Tax Law applies should be subject to withholding tax on their contract payments at a rate of 7% of the gross amounts for petroleum contracts, and at a rate of 3.3% for non-petroleum contracts.

The Instructions provide that the entity making the payment should remit the retained amounts to the tax authority within 30 days of making the payment, with the amounts to be held by the tax authority to be reconciled with the contractor's final tax calculation. In addition, the whole of the final installment payment should be withheld from the contractor until the contractor has completed the corporate tax filing and has obtained a tax clearance.

Tax exemptions

Investment Law No. 13 of 2006

Investment Law No. 13 of 2006 provides for certain tax exemptions and benefits for investing in Iraq. The broad objective of the Investment Law is to promote investment

Iraq has a complex legislative framework with respect to withholding tax and tax retentions. Specific focus should be given to contracts which fall within the scope of Instructions No 2 of 2008, and Instructions No 5 of 2011.

and transfer modern technologies in order to contribute to the development of Iraq and diversification of its economy. Key highlights are as follows:

- Exemption from 'taxes and fees' for a period of 10 years. The period of the tax exemption can be further increased to a period of up to 15 years at the discretion of the National Commission for Investment, subject to the level of Iraqi participation in the project.
- Investment licences are granted on a project-by-project basis – rather than to an entity as a whole.

Investment Law No 13 of 2006 provides for certain tax exemptions and benefits for investing in Iraq. The broad objective of the Investment Law is to promote investment and contribute to the development of Iraq and diversification of its economy.

- The Investment License is granted under restricted conditions.

Exemptions typically apply in respect of corporate income taxes only, and employment taxes in respect of individuals working under the project should remain payable.

Cabinet Decision No. 167 of 2010

Cabinet Decision No. 167 of 2010 provides for an exemption from corporate income tax and Iraq reconstruction tax (i.e. customs duty) and other charges in relation to contracts for projects that contribute to the development of Iraq.

Free zones/neutral zones

The General Authority for Free Zones (GAFZ) was established to manage the free zones in Iraq, and this authority sits within the Ministry of Finance.

Decree No. 170 for year 1998 was issued on 19 October, 1998, to exempt investment projects which are conducted within the free zones, and the capital invested in the free zones, from income tax and stamp duty. According to the Decree:

- Investment projects in the free zones and the capital invested in them along with the profits and annual interest will be exempted from income tax and stamp duty or other duties.
- Goods and materials may be imported into the free zones free of customs duties.
- Non Iraqi employees' income in the free zone is exempt from income tax.
- 50% of the Iraqi employees' income in the free zone is exempt from income tax.

Tax treaties

Iraq has not entered into any material tax treaties with other jurisdictions. There is a treaty of the Arab Economic Union Council, of which Iraq is a signatory; however, we do not see this applied widely in practice.

Corporate taxation

Registration

Following registration of the LLC or branch of a foreign company in Iraq, the entity is required to register with the GCT in Federal Iraq for corporate tax purposes.

For the Kurdistan Region, registration is typically completed for corporate tax at the time of making the first corporate tax filing. i.e. the Kurdish entity will be required to make its first filing for corporate taxes by 30 June following the year-end and it is typical to complete the registration with the tax authority (for all taxes) at that time.

Filing and payment

The tax year in Iraq is the calendar year. The corporate tax return must be filed by 31 May following the end of the year, with payment due following the tax authority's assessment of the tax return.

The filing deadline for corporate income taxes in the Kurdistan Region is 31 May, however a one month extension to 30 June is granted to all taxpayers.

Rates

Under the Federal Income Tax Law, the headline corporate income tax rate is a flat rate of 15%.

A separate tax law was passed in March 2010, Law No. 19 of 2010 ("the Oil and Gas Tax Law"), which applies to upstream oil

Cabinet Decision 167 of 2010 provides for an exemption from corporate income tax and Iraq reconstruction levy in relation to projects that contribute to the development of Iraq.

and gas companies, and supporting industries operating in Federal Iraq. The Oil and Gas Tax Law provides for an increased corporate income tax rate of 35% on contracts concluded with foreign oil companies and their subcontractors operating in Iraq in the field of oil and gas production and associated industries.

A flat rate of 15% applies to all industries in the Kurdistan Region. At the time of writing, it is not expected that the Oil and Gas Tax Law will be enforced in the Kurdistan Region of Iraq; however, this position should be monitored.

Personal taxation

In Federal Iraq, personal income tax applies on employees' salaries at the following rates:

- Up to IQD 250,000: 3%
- Between IQD 250,000 and 500,000: 5%
- Between IQD 500,000 and 1,000,000: 10%
- Amounts in excess of IQD 1,000,000: 15%

Personal income tax is applicable for both Iraqi tax residents, and non-Iraqi tax residents who have Iraq-sourced income. Personal income tax is broadly levied on all employees' income, including basic salary and allowances which are paid in addition

In practice, it is possible to apply for an exemption from social security contributions for expats who are working in Iraq.

to basic salary. Iraq's tax legislation sets out certain exemptions/deductions which are available in calculating taxable income.

The Kurdistan tax authority generally levies income taxes on basic salary plus any allowances in excess of 30% of the basic salary. Individuals are entitled to a tax-free legal allowance of IQD 1,000,000 per month.

Social security applies to employees' salaries at the rates of 5% for the employee contribution, and 12 or 25% for the employer contribution. In practice, it is possible to apply for a formal exemption from social security for expatriate individuals who are working in Iraq.

Filing and payment

Employers are required to withhold taxes on behalf of employees and pay the tax to the tax authority by the 15th day of each month, and to submit annual tax returns on behalf of their employees. The annual employment tax declaration must be made before 31 March of the year following the tax year.

Employment taxes in the Kurdistan Region must be paid before 30 June of the year following the tax year.

Social security contributions should be filed by the end of the month following the month in which salaries are paid.

Penalties

Penalties on unpaid or late paid tax are as follows: 5% of the amount outstanding if payment is not made within 21 days of the due date; an additional 5% penalty will apply if the tax is still outstanding after a further 21 days (i.e. 42 days in total). Interest runs from the due date of payment until the date the tax is finally settled.

In the Kurdistan Region, penalties on unpaid or late paid tax generally are limited to an amount of 10% of the tax liability, up to a maximum of IQD 75,000 per year.

Late payment of social security contributions attracts a penalty of 2% of the amount of contributions due per month of delay.

Visas/work permits/labor laws

Foreign individuals working in Iraq are required to obtain a visa and work permit. The visa requirements in Iraq are subject to change, and therefore it is recommended to obtain specific legal/immigration advice in this respect.

Indirect taxes (VAT, customs & excise, stamp duty, etc.)

Value added tax

Iraq levies sales tax on certain consumer products, including five-star hotels, phone cards, tobacco and alcoholic beverages.

Stamp duty

The Stamp Duty Law No. 71 of 2012 provides that the signing of contracts should be subject to stamp duty at a rate of 0.2%.

In practice, the payment of stamp duty is not common for contracts between private parties where the contract is not intended to be presented to a court or official office. In such instances, the parties will not pay the stamp duty at the time of signing the contract, but only if it becomes necessary at a later date to either present the document to a court or an official office.

Conversely, for contracts to which a government is a party, stamp duty will typically be paid at signing unless an exemption is relevant.

Customs duty

A reconstruction levy was introduced in Iraq in 2003, and applies at a flat rate of 5% on all goods imported into the country.

In January 2014, a new tariff was partially implemented. The tariff was implemented on a phased basis, with over 100 tariff codes becoming subject to the new customs tariff upon implementation on 2 January 2014 (predominantly luxury goods), while the remainder of items remained subject to the 5% flat rate. In addition, the implementation of the new tariffs differed in practice between Federal Iraq and the Kurdistan Region (which is a semi-autonomous region in the north of Iraq).

A new customs law was expected to be implemented with effect from 1 August 2015, with the introduction of customs duty rates ranging from 5% to 40%. However, at the time of writing this has not been fully implemented in practice.

Other taxes

Real Estate Tax

Law No. 162 of 1959 and its amendments, the "Law of the Real Estate Tax", provides for a tax on revenue derived from real estate in Iraq. According to the Law, a basic tax of 10% is assessed on the annual revenue for all real estate. The annual revenue for each real estate property is discounted by 10% for expenses and maintenance before assessing the tax on it.

5. Deloitte in Iraq – how can you benefit?

Deloitte Middle East (DME) is committed to providing client insight and delivering thought leadership to help our clients keep abreast of key developments in the tax landscape. Deloitte has been present in the Middle East since 1926, making it the longest standing professional services firm in the region.

DME launched an International Tax Services Center for Excellence in Dubai in 2009. The center offers our clients as well as investors in the region services which include structuring groups with inbound and outbound investments within the Middle East and North Africa. The center leads some of our largest global tax engagements.

DME's practice has been awarded a Tier One ranking in tax services for five consecutive years by the International Tax Review's World Tax Awards. Top tier rankings are provided to firms that have "an international network and leading reputation" which is "reflected in the size and quality of transactions" in the relevant jurisdiction (International Tax Review).

Deloitte has registered offices in Baghdad Federal Iraq, and Erbil, Kurdistan Region with dedicated resources on the ground, available to meet with our clients locally and to liaise with regulatory and tax authority personnel as required. Our tax practice is centrally headquartered in Dubai, with dedicated tax professionals available to travel as required to meet with our clients in Iraq and the wider Middle East region.

Using our expertise to add value and reduce risk

We understand the risks and challenges that your business faces in Iraq. We have a deep understanding of the Iraqi accounting and tax compliance process and we manage accounting and audit, corporate income tax, withholding tax, employment tax and social security compliance for some of the world's largest companies operating in Iraq.

Knowledge and value

Statistically, Iraq ranks as one of the most difficult countries in which to complete tax filings. Due to the lack of developed systems and infrastructure in Iraq (including online filing and payment), the tax compliance process in the country is inherently more challenging than in many of the other jurisdictions in which we operate. Our team has extensive working knowledge of the Iraqi investment and regulatory climate, and accordingly will be well placed to provide support with regards to corporate income tax, employment tax and social security filing obligations, and to create lasting value as your business develops its operations in Iraq.

Want to do business in Iraq?

We are here to help.
Deloitte and Touche Management Consulting, W.L.L

Baghdad
Al-Mansour Hotel
Floor 4, Suite 407
Al-Salhiya District
PO Box 8020,
Baghdad, Iraq

Erbil
Empire Business Complex
Block C1 – 5th Floor
Erbil, Iraq
Tel +964 (0) 66 257 6200
www.deloitte.com

We welcome the opportunity to discuss your needs further and provide you with a better understanding of the issues discussed in this material. Please do not hesitate to contact one of our specialists.

The 'Doing business guide' series is supplemented by the Middle East Tax Handbook, which provides a summary of basic tax information in a country-by-country snapshot.

Ayad Mirza
Iraq Office Managing Partner
Tel +964 (0) 770 694 6554
aymirza@deloitte.com

Alex Law
Iraq Tax Leader
Tel +971 (0) 4506 4891
alexlaw@deloitte.com

Jayne Stokes
Director, Iraq Tax
Tel +971 (0) 4506 4895
jstokes@deloitte.com

Atheer Aljuboory
Manager, Iraq Tax
Tel + 964 (0) 66 257 6200
aaljuboory@deloitte.com

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